Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of tax-exempt residential mortgage revenue bonds by the City and County of San Francisco (the “City”) in an aggregate principal amount not to exceed $75,000,000 to finance the development of a 137-unit affordable rental housing development located in the City at 4840 Mission Street (the “Project”); and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

WHEREAS, The Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”), after careful study and consideration, has determined that there is a shortage of safe and sanitary housing within the City and County of San Francisco (“City”), particularly for low and moderate income persons, and that it is in the best interest of the residents of the City and in furtherance of the health, safety, and welfare of the public for the City to assist in the financing of multi-family rental housing units; and

WHEREAS, Acting under and pursuant to the powers reserved to the City under Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Sections 1.101 and 9.107 of the Charter of the City and County of San Francisco, the City has enacted the City and County of San Francisco Residential Mortgage Revenue Bond Law (“City Law”), constituting Article I of Chapter 43 of the San Francisco Administrative Code, in order to establish a procedure for the authorization, issuance and sale of residential mortgage revenue bonds by the City for the purpose of providing funds to encourage the availability of adequate housing and home finance for persons and families of low or moderate income, and to
develop viable communities by providing decent housing, enhanced living environments, and increased economic opportunities for persons and families of low or moderate income; and

WHEREAS, In addition, pursuant to Division 31 of the Health and Safety Code of the State of California, and particularly Chapter 7 of Part 5 thereof (“State Law”), the City is empowered to issue and sell bonds for the purpose of making mortgage loans or otherwise providing funds to finance the development of multi-family rental housing including units for lower income households and very low income households; and

WHEREAS, 4840 Mission Housing Associates, L.P., a California limited partnership (or an affiliate thereof or successor thereto) (the “Borrower”) desires to construct a 137-unit affordable residential rental housing development located at 4840 Mission Street, San Francisco, California 94112 (“Project”), and the Borrower will be the initial owner and/or operator of the Project; and

WHEREAS, The Borrower has requested that the City assist in the financing of the Project through the issuance of one or more series of tax-exempt mortgage revenue bonds (“Bonds”); and

WHEREAS, The City intends to issue the Bonds in an amount not to exceed $75,000,000 and to loan the proceeds of the Bonds to the Borrower (“Loan”) to finance the costs of the Project; and

WHEREAS, The Bonds will be limited obligations, payable solely from pledged security, including Project revenues, and will not constitute a debt of the City; and

WHEREAS, The interest on the Bonds may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (“Code”), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, The City now wishes to approve the issuance of the Bonds in order to satisfy the public approval requirements of Section 147(f) of the Code; and
WHEREAS, The Project is located wholly within the City; and

WHEREAS, On May 19, 2020, the City caused a notice stating that a public hearing with respect to the issuance of the Bonds would be held by the Mayor’s Office of Housing and Community Development on May 27, 2020, published in the Notices section of the Mayor’s Office of Housing and Community Development website (at https://sfmohcd.org/notices-0); and

WHEREAS, The Mayor’s Office of Housing and Community Development held the public hearing described above on May 27, 2020, and an opportunity was provided for persons to comment on the issuance of the Bonds and the Project; and

WHEREAS, This Board of Supervisors is the elected legislative body of the City and is the applicable elected representative authorized to approve the issuance of the Bonds within the meaning of Section 147(f) of the Code; now, therefore, be it

RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as follows:

Section 1. The Board of Supervisors finds and determines that the foregoing recitals are true and correct.

Section 2. The maximum principal amount of tax-exempt debt expected to be issued for the Project is $75,000,000.

Section 3. This Board of Supervisors, as the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, hereby approves the issuance of the Bonds for purposes of Section 147(f) of the Code.

Section 4. This approval of the issuance of the Bonds by the City is neither an approval of the underlying credit issues of the proposed Project nor an approval of the financial structure of the Bonds.

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Section 5. The officers and employees of the City, including the Director, are hereby authorized and directed, jointly and severally, to do any and all things necessary or advisable to effectuate the purposes of this Resolution, consistent with the documents cited herein and this Resolution, and all actions previously taken by such officers and employees with respect to the Project, consistent with the documents cited herein and this Resolution, are hereby ratified and approved.

Section 6. This Resolution shall take effect from and after its adoption by the Board and approval by the Mayor.

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By: /s/Heidi J. Gewertz
HEIDI J. GEWERTZ
Deputy City Attorney
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Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of tax-exempt residential mortgage revenue bonds by the City and County of San Francisco (the "City") in an aggregate principal amount not to exceed $75,000,000 to finance the development of a 137-unit affordable rental housing development located in the City at 4840 Mission Street (the "Project"); and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

July 15, 2020 Budget and Finance Committee - RECOMMENDED

July 21, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

[Signature]
Angela Calvillo
Clerk of the Board

[Signature]
London N. Breed
Mayor

Date Approved: 7/31/20